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DCI/IC 1548-74

25 October 1974

## MEMORANDUM FOR THE RECORD

SUBJECT: Meeting with DCI Concerning the KIQ/KEP Process

1. On 23 October, at the DCI's request, a meeting was held in his office to discuss the observations and findings set forth in the 11 October MPRRD Interim KIQ/KEP Status Report.

2. The group included Mr. Colby; Gen. Wilson, D/DCI/IC; Dr. Clarke, AD/DCI/IC; Mr. Carver, D/DCI/NIO, Mr. Taylor, Deputy CIA/Comptroller; [redacted]/IC/MPRRD, [redacted] Deputy D/DCI/NIO; and [redacted] IC/MPRRD/R&AB.

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3. Mr. Colby opened the discussion by asking where we stand on the FY 75 (KIQ) strategies. He noted that what we want is an orderly, purposeful evaluation process that personally involves the chiefs (Program Managers) and does not precipitate a large bureaucratic exercise.

Mr. Carver said that about 30 were essentially finished, 28 were well along, and that the remainder would be cleaned up within the next couple of weeks. Referring to the evaluation process as a whole, he said we had to consider what the effort cost. It was not inconsequential.

[redacted] reported some data on this subject was available from DIA; e.g., through the end of July less than 10% of their total production effort was involved in responding to all interagency tasks and requirements, and carrying out their own CNTDIO performance evaluation. He noted further that if one used the DIA experience to price out the dollar cost of doing baseline reviews on all FY 75 KIQs as we did in the Pilot Program, such an effort would consume less than .05% of NFIP production money (O&M).

There followed considerable discussion on the purposes of the KEP, and the degree of precision--the level of detail and the degree of accuracy--needed to satisfy those purposes.

Mr. Colby was concerned that the KIQ effort be broad enough to encompass a large enough portion of NFIP expenditures to allow KEP results to be used effectively in resource allocation processes.

Mr. Taylor pointed out the difficulty of expressing CIA's objectives, and consequent resource expenditures, in KIQ terms, and the need to involve the management council and the deputies in the process.

Mr. Colby said the KIQs were his vehicle to communicate with the community to ensure that community efforts were properly focusing on these important elements and that, wearing his Agency hat, the objectives were his vehicle to communicate his goals and needs to his deputies. He further said that he (the Comptroller) would have to make the translation--perhaps for General Walters to act as the Agency Program Manager for KIQ/KEP matters.

Dr. Clarke and [ ] referring to the FY 75 KIQ strategies, emphasized the need for them to reflect a common approach and a common level of specificity, noting that for the community to participate productively (in a KEP) the roles of the players and the associated procedures would have to be carefully spelled out.

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[ ] noted that, on the basis of Mr. Colby's mark-up of 16 FY-75 draft strategies presented to him for comment, only four met the mark.

Mr. Carver said that the NIO editor would see that they were all uniform.

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[ ] replied that being uniform was not enough to allow aggregation and analysis, that there had to be both order and discipline in the process.

Mr. Colby rejoined by saying that the essence of the KIQ/KEP problem was, of necessity, a division of responsibility for the process. The NIOs were his several voices and that the IC Staff, with the help of the NIOs, would have to work out the specifics. He further said, because of unique

NIO individual responsibilities, and to insure uniformity, the IC Staff would have to act for them at the beginning of the process in soliciting obligations from Program Managers to address the changes (in on-going collection and production programs) and the new collection and production initiatives recommended by the strategies. At the end of the year they (ICS) would have to aggregate and analyze performance reports provided by all KEP participants.

Returning to the FY 74 Pilot Program, the group agreed that the pilot run should be completed, and the findings--both as to the efficacy of the process and the performance insights which it could provide--be examined before decisions were taken with respect to the structure and precision of the FY 75 KIQ evaluation program.

4. The meeting terminated with an agreement by Mr. Carver and General Wilson to get together to work out a common course of action.

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IC/MPRRD/R&AB: :ms (25 Oct 74)

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